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REPORT NO.

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**SUPPLEMENT TO  
REPORT NO.**

1. The Ministry for Metallurgical and Chemical Industry in Rumania is in charge of Heavy Industry, including the Mining Industry. All industries at present under its direction and control are those which existed before the present regime. These industries were not affected by any changes. They remained at their old locations, retained their machines and tools and continued production as previously.
2. But the Ministry was shaken up by the removal from its jurisdiction of:
  - a. The Resita concern, which was transformed into Sovrommetal (its General Manager is a Russian, who came from the USSR), and
  - b. The former I.A.R. (Rumanian aeronautical industry), which was transformed into Sovromtractor, nowadays producing tractors instead of aeroplanes.
3. The Ministry was also affected by the loss, in April, 1951, of responsibility and authority for high-level supply arrangements. In 1950 the Ministry was the only body looking after the supply of raw materials, machinery, spare parts, etc. for its works and factories. It had, at that time, the authority to negotiate and to sign International Commercial Import Conventions (with the USSR for iron ore, and with other countries for spare parts and tools). Some time later this authority was limited with respect to materials and products of local origin, because of the formation of the State Planning Commission, which, besides planning, also had the task of stocking up and distributing raw materials, machinery and spare parts to state enterprises. Then, on April 1, 1951, the responsibility for stockpiling and distribution of supplies for all Rumanian industries was transferred to C.S.A. (the State Supply Commission).

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CENTRAL INTELLIGENCE AGENCY

-2-

4. The Ministry is located at 133 Calea Victoriei, Bucharest, employs approximately 1000 people, and is divided into the following departments:

- a. Department for Iron and Steel Industry. This department is in charge of the basic industry. By "basic industries" are meant the "heavy industry" and the "Grande" industry. (The heavy industry comprises the mining industry as well as that part of heavy industry that processes raw material for the first time. The "Grande" industry uses these raw materials for further processing.) Both these industries have one thing in common: Siemens-Martin furnaces. Under this Department come:

--Combinatul Siderurgic Hunedocara (Combined iron and steel industry of Hunedocara), located at Hunedocara. Production: Blocks of cast-iron, which the Combinatul delivers to industries in possession of Siemens-Martin furnaces. The Combinatul, having also their own Siemens-Martin furnaces, transforms part of the cast-iron blocks (first product) into bars (second product), these bars being semi-finished products, which serve as raw material for other factories.

--Otelul Rosu (Red steel), formerly Ferdinand; Location: Commune Ferdinand (now Otelul Rosu). Production: Iron bars (For the manufacture of these bars there are Siemens-Martin furnaces. The required cast-iron blocks are supplied by Combinatul), black sheet iron, galvanized sheet iron, hoop iron for barrels, flexible iron, concrete iron, and iron wire for the drawing of nails.

--Ciocanul (the Hammer: formerly Nadrag); Location: Calan. Production: Cast iron products such as radiators, pots, bath tubs, kitchen stoves.

--Industria Sarmei (iron wire industry). Location: Sibiu. Production: Electric cables.

--Industria Sarmei (iron wire industry) Location: Braila. Production: Concrete iron.

--I.M.D. (Industria Metalurgica Dunareana-Danube Metallurgical Industry). This is the former name of the factory; the new one is not known to source. Production: Concrete iron, nails and screws.

--23rd August (formerly Malaxa) Location: Bucharest. Production: Railroad cars, locomotives, boilers.

--Nicolae Christea (formerly Titan Galati). Location: Galati. Production: Unknown.

--Steaua Rosie (Red Star: formerly Wolff) Location: Bucharest. Production: Boilers, tanks (reservoirs) steam engine boilers (the latter are exported to U.S.S.R.).

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CENTRAL INTELLIGENCE AGENCY

-3-

- b. Metallurgical Department for heavy machinery. This department is in charge of the following works and factories, producing machinery:

--Vulcan, Location: Bucharest. Production: Boilers, railway cars.

--Republica (formerly Malaxa) Location: Bucharest. Production: Pipes, welded as well as drawn.

--Name unknown (former name Rieger). Location: Sibiu. Production: Agricultural tools.

--Vasile Roaita (formerly Veina). Location: Stalin (Brasov)

--21 Decembrie (formerly Set). Location: Bucharest. Production: Tools and precision parts.

--Name unknown (formerly Schram). Location: Bucharest. Production: Agricultural tools.

- c. Metallurgical Department. This department is in charge of the factories manufacturing various products, the raw material being iron bars. No details about these factories are known.
- d. Supply and Distribution Department. This department was playing a much more important part until 1 April 1951, than it does at present. Now it is only drawing up reports concerning works and factories, reports which they send to CSA (State Commission for Supplies).
- e. Chemical Department. Source believes this department is going to be detached from the Ministry, but he knows no details.
- f. Department for fire resisting materials. This department deals with the exploitation of minerals, such as silica, which are required for blast furnaces.
- g. Finance Department.
- h. Department of Accountancy.

5. [REDACTED] the tools and machines of the industries under the Ministry described above are worn out and constantly in need of repair. [REDACTED] the Rumanian iron ore deposits are insufficient to meet the requirements of the existing iron and steel industry. Therefore certain quantities are imported from the USSR. The old stock of American rollers has been used up and spare parts for rolling-mills and new rollers are presently imported from the USSR. These imports, [REDACTED] are paid for in rubles, as it is more profitable for the Russians, who can thus charge the highest price for goods sent to Rumania and pay the lowest for goods bought there.

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CENTRAL INTELLIGENCE AGENCY

-4-

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6. [REDACTED] following personalities in the Ministry:

Felea (Feler)--Technical adviser of the Supply and Distribution Department.--45 years old, tall and stout, greying hair, pretends to be Communist.

Gheorgeade--Technical adviser of the Supply and Distribution Department.--45 years old, middle-sized and slim. Bold, Jew, non-Communist.

Georgeacopol--Technical adviser of the Supply and Distribution Department.--52 years old, dark, small and stout, non-Communist.

Eng. Hart--Technical adviser of the Supply and Distribution Department.--42 years old, middle-sized. Speaks openly, when sure that others are not Communists.

Sanda Marian--Technical adviser of the Supply and Distribution Department.--40 years old, slim. Appears at the moment as a big Communist.

Mandliu (Mendelovici)--Director of the Supply and Distribution Department.--40 years old, middle-sized, dark. After verification (sic), excluded from the Communist Party.

Stefan--Advisor of the Supply and Distribution Department.--45 years old, tall and dark.

Chivu Stoica-- Minister of the Ministry of the Metallurgical and Chemical Industry.

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